

Department of Justice

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FORMER EXECUTIVE OF WINDOW BLIND SLAT MANUFACTURING COMPANY INDICTED FOR CONSPIRACY AND WIRE FRAUD

WASHINGTON — A federal grand jury in Houston indicted a former president of a window blind slat manufacturing company for committing wire fraud and for participating in a conspiracy to defraud customers, the Department of Justice announced today.

The indictment returned yesterday in the U.S. District Court in Houston charged Mario Cadorette of Montreal, Canada, with one count of conspiracy to commit wire fraud and four counts of wire fraud for his participation in a scheme to defraud customers by secretly convincing competitors to increase slat prices by 8 percent. "Slats" are the vertical or horizontal louvers of window blinds that can be adjusted to let in more or less light.

This is the first charge to arise from the Department's ongoing investigation into collusive activity in the window blind slat industry.

"The Antitrust Division is committed to prosecuting conspiracies that defraud customers," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "We will continue to pursue those who deprive the public of the benefits afforded by a truly competitive marketplace."

According to the indictment, between about April 2002 and July 2002, Cadorette and his co-conspirators carried out the conspiracy by:

- Agreeing to convince competitors to secretly increase prices by 8 percent;
- Making and agreeing on assignments to contact specific competitors;
- Contacting competitors, including by means of interstate telephone calls, to convince them to take part in their price-fixing scheme.

The maximum penalty for each count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 371 and wire fraud in violation 18 U.S.C. §1343 committed before July 30, 2002 is five years imprisonment and a \$250,000 fine.

Today's charges resulted from an ongoing investigation of the slats industry by the Antitrust Division's Cleveland field office with the assistance of the Cleveland and Houston offices of the Federal Bureau of Investigation.

Anyone with information concerning price fixing or related offenses in the window blind slat manufacturing industry should contact the Cleveland field office of the Antitrust Division at 216-687-8400 or the Federal Bureau of Investigation's Cleveland office at 216-522-1400.

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